

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Wednesday, October 14, 1970

Place: Board Room, Kamamalu Building, 1010 Richards Street, Honolulu, Hawaii

Present: Herbert S. Isonaga, Chairman
Douglas R. Sodetani, Vice Chairman
Harold Silva, Member
John Texeira, Member
William H. C. Young, Member

Yukio Higuchi, Executive Secretary

Professor Donald Bell, College of Business Administration, U.H.
Dr. Edward Laitila, College of Business Administration, U.H.
George A. Morris, Jr., Executive Vice President of Honolulu Board of Realtors
Mary Savio, President of Hawaii State Board of Realtors

Absent: Louis Cannelora, Member (hospitalized)
Hiromu Yamanaka, Member

Call to Order: There being a quorum, Chairman Isonaga called the meeting to order at 2:20 p.m.

Reading of Minutes: Upon motion, the minutes of the September 10-12, 1970 meeting were approved as circulated.

Business Out of Minutes: Questionable Application of Willard Wong (Salesman)
In response to the Commission's letter of September 24, 1970, Willard Wong appeared before the Commission to present his views as to why the Commission should not deny granting him a real estate salesman license on the basis of his lengthy police record reflecting illegal activities for which he has been charged and convicted on many occasions. Wong was accompanied by his counsel, Robert Kimura, and his sponsoring broker, Larry Leon.

Counsel for Wong presented his client's case in a form of questions and answers. The Commission members were allowed to question Wong. Leon was also questioned by counsel for Wong and the Commission members. Question was directed to Leon by Sodetani as to whether he understands that his broker's license may be jeopardized by the actions of his salesman. Leon answered in the affirmative. The Commission warned Leon that should a salesman license be granted to Wong, he (Leon) would

be fully responsible for the real estate activities of Wong and should Wong violate the real estate laws and/or rules, the Commission will not accept the excuse that he (Leon) was ignorant of the violation. Wong was excused after being advised that the Commission would notify him of their decision.

Sodetani moved and seconded by Young that a real estate salesman license be granted to Wong subject to his principal broker making quarterly written reports to the Commission for a period of one year as to the real estate activities of Wong, such as number of hours put into work, number of listings taken, number of sales consummated, etc.

Motion carried unanimously.

Real Estate Education Projects

Dr. Laitila was introduced to the Commission by Professor Bell as the person whom he will be working with in conducting a study requested by the Commission. Professor Bell reported that he has prepared a draft of a "Hawaii Blueprint on Education" with an ultimate long-range goal of developing a comprehensive educational program with license examination tied in with the educational program. Dr. Laitila reported that he has reviewed the licensing examination material and found two immediate problems. He cited that there is a limited number of questions in the question pool and limited coverage of some subject matters in the present examination. Dr. Laitila suggested that the examination should be tied in with the educational program, but in the interim period, while the educational program is being developed, the examination process can be handled by shifting the questions around or substituting some of the questions at each exam.

Professor Bell reported that with the consent of the Licensing Administrator and the Commission, they would like to start on an immediate program of research in conjunction with the October examination. They would like to introduce 20 new questions covering the same subject matters of the examination and have all applicants answer a questionnaire pertaining to their experience and educational background in the real estate field. This would help supply the researchers with information to determine the kind and amount of education needed in developing a comprehensive education program.

The Commission members were in agreement that they would like to introduce the new questions in the October 1970 examination. Dr. Laitila was requested to present the new questions to the Licensing Administrator for consideration.

Chairman Isonaga directed that the Educational Task Force meet on Tuesday, November 24, 1970, at 9:30 a.m. to discuss and further pursue the comprehensive education program.

Review of Licensing and Horizontal Property Regime Laws and Rules

Chairman Isonaga reported that subsequent to the September 10-12, 1970 meeting, he met with George Morris, Jr., to review the comments made at the Maui meeting. Morris was requested to have counsel for the Honolulu Board of Realtors draft legislation on the residency requirements, redefine custodian and resident managers and owners.

Chairman Isonaga indicated that other areas discussed at the Maui meeting will be handled by the Commission working together with staff assistance.

Executive Secretary was directed to review the proposed fee changes with Administration.

NARELLO National Conference

Chairman Isonaga reported that inasmuch as the delegate and alternate selected to represent the Commission at the NARELLO Annual Conference in New Orleans, La., are unable to attend, a replacement must be selected to represent the Commission. Soretani moved and seconded by Young that the Executive Secretary be the delegate for the Commission in New Orleans.

Motion carried unanimously.

Investigations: RE-255 Lakeview Properties

Upon motion, the Commission decided to consider this case dismissed and the matter closed.

RE-208 Joseph S. Hunter)

)

RE-210 Hyman Galea)

)

RE-241 Edward J. Bossing)

)

RE-242 Karl Embry)

Upon motion, the Commission decided to consider these four cases dismissed and cases closed.

RE-368 Patricia A. Smith (aka Pat McCool)

Executive Secretary reported that formal hearing on this matter has been rescheduled for October 21, 1970 at 9:30 a.m. in the Board Room. Also being charged is Charles G. Clark, who was the principal broker of Patricia Smith when the violation occurred. Hearing officers are Louis Cannelora and William Young. Harold Silva volunteered to be the alternate hearing officer in the event Louis Cannelora cannot hear the case.

RE-388, 395 and 396 Romeo Esperanza

Executive Secretary reported that the hearing notice is being prepared by the Licensing Administrator due to Executive Secretary's heavy workload.

RE-279 and 283 Growth International Realty

Executive Secretary reported that Deputy Attorney General Jeffrey Watanabe has recommended that additional service be performed by

Investigation Branch prior to formal hearing being set. Hearing officers will be Chairman Isonaga and Harold Silva.

Hale Pau Hana (Condominium) Reg. No. 175

Executive Secretary gave a brief run down of communications received from the Developer's attorney.

Silva moved and Young seconded that this matter be referred to the Attorney General for prosecution for violation of Section 514-42, Hawaii Revised Statutes.

Motion carried unanimously.

Violet C. King (Civil No. 28826)

Upon motion, the Commission unanimously agreed that no further attempt will be made by staff to retrieve Violet King's real estate broker certificate from the storage company.

RE-405 Clarence S. L. Tam

Executive Secretary reported that the hearing notice is being prepared by the Licensing Administrator due to Executive Secretary's heavy workload. Soretani and Silva were appointed hearing officers for this case.

RE-380 and 381 Floyd T. Kaneshiro

Upon motion, action on both cases was deferred pending the outcome of complaints filed in the Circuit Court.

RE-401 Barbara Odor Realty

Upon motion, action on this case was deferred until the Commission has an opportunity to review the investigation report.

Al Ching, Inc.

Executive Secretary gave a brief run down of this problem of a corporate "owner-developer" handling the sales of their condominium apartment units.

Chairman Isonaga directed that Executive Secretary review this matter with Deputy Attorney General to get his thoughts as to whether Al Ching, Inc., is considered as owner.

New Business: Licensing

Corporation

RSM, Inc.	Kenneth B. Griffin, PB
Hawaii Nei Realty, Inc.	Thomas O. Metz, PB
Servco Pacific, Inc. dba Service Properties & Investments	Paul I. Miyahira, PB
Ventures In Paradise, Ltd. dba V.I.P. Realty	Charles E. Martin, PB
First Hawaiian Realty, Ltd.	Marvin H. Scharosch, PB
Preferred Properties, Inc.	Calvin C. F. Lau, PB
Realty Pacific, Inc.	Ronald F. Peart, PB
Da Kine Enterprises, Inc. dba Da Kine Realty	Merlon H. Tollefson, PB

DBA

George V. DiCesare, Realtor	George V. DiCesare dba
Barbara Bahnsen, Realtor	Barbara M. Bahnsen dba
Joy Stevens, Real Estate	Jessie Joy Stevens, dba
Stan Stanton Realty	Stanley S. Stanton dba
Light Realty	Laura C. Light dba
Executive Realty	Clifford B. Y. Lum dba

Mike McCormack, Inc. dba Mike McCormack Realtor
(change of dba - formerly Mike McCormack Realty)

Upon motion, the license processings of the above as tentatively authorized by the Licensing Administrator were approved.

Claim Against Recovery Fund (Hamada vs. Harry Bates Len)

Executive Secretary reported that Judge Kabutan of the Circuit Court had awarded judgment for the Hamadas in their suit against Harry Bates Len which will result in payment from the Real Estate Recovery Fund. To date, we have received no order to make the payment to the Hamadas.

Fair Housing Act Questions for October 27, 1970 Exam

The ten new questions on the Fair Housing Act to be included in the October 27, 1970 examination were received and approved by the Commission.

1971 Real Estate Examination Dates

The Commission was given notice that the Examination Branch has set the 1971 real estate examination dates as follows:

Thursday, February 25, 1971	HIC Exhibition Hall
Thursday, June 24, 1971	" " "
Thursday, October 28, 1971	" " "

(Site of October 28, 1971 examination is subject to change if budget request is approved and alternate site is available.)

Budget Expansion for Fiscal Year 1971-72

Executive Secretary reported that staff has requested for the following travels in the 1971-72 budget:

Out-of-State Travel:

3 persons to NARELLO Annual Meeting
2 persons to NARELLO Western Region Meeting

Neighbor Island Travel:

Separate meetings on each neighbor island county

Special Meeting on Oahu

A 3-day meeting to be held on Oahu to review laws and rules.

In addition to the expansion in travel requests, \$3,000 has been included in the budget request to defray the cost of reviewing

the present examination and drafting of a comprehensive examination.

Interpretation of Residency Requirement

At the request of the Licensing Administrator, the Commission was apprised that staff is accepting applicants for examination that can show evidence that he or she was a 2-year legal residence of Hawaii any time prior to application.


Date of
Next Meeting:

Tuesday, November 24, 1970 at 2:00 p.m.

Adjournment:

There being no further business, the meeting was adjourned at 5:00 p.m.

Recorded by:



YUKIO HIGUCHI
Executive Secretary

YH:va
11/6/70